

**SHEA & GOULD**

(MIRABELLI & GOULD)

1627 K STREET, N. W.

WASHINGTON, D. C. 20006

(202) 833-9850

CABLE: MIRGO

12126

RECORDATION NO. 12126 Filed & Recorded

AUG 21 1980 - 12 30 PM

330 MADISON AVENUE  
NEW YORK, NEW YORK 10017  
(212) 661-3200  
TELEX: 428978  
CABLE: HOLMANG

WILLIAM A. SHEA  
MARIO V. MIRABELLI  
JUDSON A. GOULD  
WILLIAM A. NELSON

\*RESIDENT PARTNER  
WILBUR D. MILLS  
OF COUNSEL

RECORDATION NO. 12126 Filed & Recorded

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INTERSTATE COMMERCE COMMISSION

August 21, 1980

INTERSTATE COMMERCE COMMISSION

EUROPEAN OFFICE  
47 BERKELEY SQUARE  
LONDON W1X 8DB  
01-493-8513  
TELEX: 269488

Interstate Commerce Commission  
12th and Constitution  
Room 2303  
Washington, D.C.

RECORDATION NO. 12126-A Filed & Recorded

AUG 21 1980 - 12 30 PM

INTERSTATE COMMERCE COMMISSION, Ltd.

0-234A043

Aug 21 1980

Date 50.00 + 50.00 = 100

CC Washington, D. C.

Gentlemen:

On behalf of the signatories to the documents enclosed herewith, we enclose for filing pursuant to 49 U.S.C. §11303 the following:

1. Lease of Railroad Equipment dated as of August 1, 1980 between First National Bank of Minneapolis, as Owner Trustee (the "Owner Trustee") under a Trust Agreement dated as of August 1, 1980, with Valley Bank Leasing, Inc., as lessor and Interpool, Ltd., as lessee (the "Lessee").

2. Assignment of Lease and Agreement dated as of August 1, 1980 among the Owner Trustee, as assignor, the Connecticut Bank and Trust Co. (the "Indenture Trustee") as assignee and the lessee.

3. Trust Indenture dated as of August 1, 1980 between the Owner Trustee and the Indenture Trustee.

Also enclosed is a check for \$50.00 to cover the filing fees.

Sincerely,

Jay Weil  
Jay Weil

main  
much  
Claus

**Interstate Commerce Commission**  
Washington, D.C. 20423

8/21/80

OFFICE OF THE SECRETARY

Jay Weil  
Shea & Gould  
1627 K. Street, N.W.  
Washington, D.C. 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 8/21/80 at 12:30pm, and assigned recordation number(s).

12126, 12126-A, 12126-B

Sincerely yours,

*Agatha L. Mergenovich*  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

SE-30  
(7/79)

12126 <sup>B</sup>  
RECORDATION NO. .... Filed & Recorded

AUG 21 1980 -12 30 PM

INTERSTATE COMMERCE COMMISSION

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TRUST INDENTURE

Dated as of August 1, 1980

between

FIRST NATIONAL BANK OF MINNNEAPOLIS,

as Owner Trustee

and

THE CONNECTICUT BANK AND TRUST COMPANY,

as Indenture Trustee

\_\_\_\_\_

GENERAL PURPOSE FLAT CARS

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## TRUST INDENTURE

THIS TRUST INDENTURE dated as of August 1, 1980 (herein, as amended or supplemented from time to time, called this "Indenture" or this "Trust Indenture"), between FIRST NATIONAL BANK OF MINNEAPOLIS, a national banking association (herein, together with its permitted successors and assigns as owner trustee in the trusts under the Trust Agreement hereinafter referred to, called the "Owner Trustee"), as owner trustee under a Trust Agreement dated as of the date hereof (herein, as amended or supplemented from time to time in accordance with its terms, called the "Trust Agreement"), between Valley Bank Leasing, Inc., an Arizona corporation (herein, together with its permitted successors and assigns, called the "Owner Participant"), and the Owner Trustee, and THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut corporation (herein, together with its permitted successors and assigns as indenture trustee in the trusts hereunder, called the "Indenture Trustee"), as indenture trustee hereunder.

This Indenture Witnesseth, that, to secure the prompt payment of the principal of and interest on the Loan Certificates, the prompt payment of all other amounts payable under the Loan Certificates and the prompt payment of the Commitment Fees to C.I.T., and the performance and observance by the Owner Trustee of all its agreements, covenants and provisions contained in the Lease Assignment, in the Participation Agreement and herein, and for the uses and purposes and subject to the terms and provisions hereof, and in consideration of the acquisition of the Loan Certificates by the holders thereof from time to time and the execution and delivery of the Purchase Agreement by C.I.T. and in further consideration of the premises and of the covenants herein contained, and for other good and valuable consideration the receipt of which is hereby acknowledged;

## GRANTING CLAUSE

A. The Owner Trustee by these presents does grant, bargain, sell, release, convey, set over, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, unto the Indenture Trustee, its successors and assigns, the following described property, rights and privileges (all being included in the Trust Estate), to wit:

(1) The Units;

(2) All the estate, right, title and interest of the Owner Trustee in and to the Lease, including, without limitation, the present, immediate and continuing right (a) to receive and collect all amounts of rent, casualty payments, insurance proceeds, condemnation awards, indemnity payments, proceeds of purchase, requisition and other payments of any kind payable to or for the benefit of the Owner Trustee thereunder, (b) to take such action upon the happening of a default or Event of Default, including the commencement, conduct and consummation of proceedings at law or in equity, as shall be permitted under any provision of the Lease or by law, and (c) to do all other things which the Owner Trustee or any lessor is or may become entitled to do under the Lease, including, without limitation, granting or withholding waivers, consents, elections, options and releases thereunder, and the giving or receipt of all notices and other communications; all estate, right, title and interest of the Owner Trustee under the Lease, an executed counterpart of which is being delivered concurrently herewith by the Owner Trustee to the Indenture Trustee, is also assigned hereunder by the Lease Assignment; provided there is expressly excluded from the foregoing (i) indemnity payments to the Owner Trustee (as long as it is lessor under the Lease) as indemnitee under Section 6(a) or 6(b) of the Lease, (ii) any insurance proceeds payable to the Owner Trustee (as long as it is lessor under the Lease) under public liability insurance maintained by the Lessee pursuant to Section 7(c) of the Lease and (iii) all rights of the Owner Trustee under the Lease to demand, collect, sue for or otherwise obtain any of such excluded payments.

(3) All the estate, right, title and interest of the Owner Trustee in and to the Purchase Order and the Purchase Order Assignment, including, without limitation, the present, immediate and continuing right to claim for, collect, receive and receipt for all amounts payable by the Builder thereunder, to give and receive notices and other communications, to make waivers and other agreements, to exercise all rights and options to bring proceedings at law or in equity (including proceedings for a breach of warranty) in the name of the Owner Trustee or otherwise and generally to do anything which the Owner Trustee is or may be entitled to do thereunder or with respect thereto;

(4) All the tolls, rents, issues, profits, products, revenues and other income of the property subjected or required to be subjected to the lien of this Trust Indenture, whether under the Lease Assignment or otherwise, and all the estate, right, title and interest of every nature whatsoever of the Owner Trustee in and to the same and every part thereof; and

(5) All proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other liquidated claims, including, without limitation, all proceeds of insurance and condemnation awards and payments.

B. To have and to hold all and singular the afore-said property referred to above, whether now owned or held or hereafter acquired (such property, together with any other property which may from time to time be pledged with the Indenture Trustee hereunder, and together with the rights of and payments received by the Indenture Trustee or the Lender pursuant to the Participation Agreement, being herein collectively referred to as the "Trust Estate"), unto the Indenture Trustee, its successors and assigns, in trust for the benefit and security of holders from time to time of the Loan Certificates and, subject to the interest of such holders in such trust to the extent provided in Article III hereof, C.I.T., and for the uses and purposes and subject to the terms and provisions set forth in this Indenture.

C. In order to effectuate the foregoing and to secure payment, performance and observance for the same consideration as set forth above, the Owner Trustee has granted, bargained, sold, released, conveyed, set over, assigned, transferred, mortgaged, hypothecated, pledged, confirmed and created a security interest in, and does hereby grant, bargain, sell, release, convey, set over, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, unto the Indenture Trustee, its successors and assigns, in the trust hereby created for the benefit and security of the holders from time to time of the Loan Certificates and, subject to the interest of such holders in such trust to the extent provided in Article III hereof, C.I.T., the Units.

D. In order to effectuate the foregoing and to secure payment, performance and observance, for the same consideration as set forth above, the Owner Trustee has granted, bargained, sold, released, conveyed, set over, transferred, assigned, mortgaged, hypothecated, pledged, confirmed and created a security interest in, and does hereby grant, bargain, sell, release, convey, set over, assign, transfer, mortgage, hypothecate, pledge, confirm and create a security interest in, unto the Indenture Trustee, and its successors and assigns, in the trust hereby created for the security and benefit of the holders from time to time of the Loan Certificates and, subject to the interest of such holders in such trust to the extent provided in Article III hereof, C.I.T., all the estate, right, title and interest of the Owner Trustee under, in and to (i)

the Lease, (ii) all moneys and claims for moneys due and to become due to the Owner Trustee, and all claims for damages in respect of any Casualty Occurrence or other loss with respect to the Units, (iii) the Purchase Order, and (iv) the Purchase Order Assignment. It is expressly agreed that anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under the Lease, the Purchase Order and the Purchase Order Assignment to perform all of the obligations assumed by it thereunder all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall have no obligation or liability under the Lease by reason of or arising out of the assignment hereunder, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to the Lease or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

E. In order to effectuate the foregoing, the Owner Trustee has, in addition to the assignment made hereby, assigned all of its right, title and interest as lessor under the Lease to the Indenture Trustee pursuant to the Lease Assignment.

F. The Owner Trustee does hereby constitute the Indenture Trustee the true and lawful attorney of the Owner Trustee, irrevocably, with full power (in the name of the Owner Trustee or otherwise) to ask, require, demand, receive, compound and acknowledge receipt of any and all moneys and claims for moneys due and to become due under or arising out of the Lease, the Purchase Order and the Purchase Order Assignment, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Indenture Trustee may deem to be necessary or advisable in the premises.

G. The Owner Trustee agrees that at any time and from time to time, upon the written request of the Indenture Trustee, the Owner Trustee will promptly and duly execute and deliver any and all such further instruments and documents as the Indenture Trustee may deem desirable in obtaining the full benefits of the assignment herein and in the Lease Assignment made and of the rights and powers herein and in the Lease Assignment granted.

H. The Owner Trustee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as the assignment hereunder shall remain in effect, any of its right, title or interest hereby and by the Lease Assignment assigned, to any one other than the Indenture Trustee, and that it will not, except as provided in this Trust Indenture or in the Lease Assignment, enter into any agreement amending or supplementing the Lease, the Purchase Order or the Purchase Order Assignment, settle or compromise any claim against the Lessee arising under the Lease or any claim against the Builder arising under the Purchase Order or the Purchase Order Assignment, or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of the Lease, the Purchase Order or the Purchase Order Assignment or the foregoing assignments to arbitration thereunder.

I. The Owner Trustee does hereby ratify and confirm the Lease, the Purchase Order and the Purchase Order Assignment, and does hereby agree that it will not, except as provided in Article VIII hereof, take or omit to take any action, the taking or omission of which might result in an alteration or impairment of the Lease or the assignment hereunder or of any of the rights created by the Lease, the Purchase Order or the Purchase Order Assignment or the assignment hereunder.

J. The Indenture Trustee hereby declares that it will hold the Trust Estate and all the right, title and interest of the Owner Trustee granted to the Indenture Trustee under the Lease Assignment, and the rights and remedies granted thereunder, upon the trusts herein set forth, for the use and benefit of the holders of the Loan Certificates and, subject to the interest of such holders in such trusts to the extent provided in Article III hereof, C.I.T.

It is Hereby Covenanted and Agreed by and between the parties hereto as follows:

## ARTICLE I

### DEFINITIONS

SECTION 1.01. For all purposes of this Indenture the following terms shall have the following meanings (such definitions to be equally applicable to both the singular and plural forms of the terms defined):

"Builder" shall mean Pullman Incorporated (Pullman Standard Division), a Delaware corporation, together with its successors and assigns.

"C.I.T." shall mean C.I.T. Corporation, a New York corporation, together with its successors and assigns.

"C.I.T. Financial" shall mean C.I.T. Financial Corporation, a Delaware corporation, together with its successors and assigns.

"Commitment Fees" shall mean the Commitment Fees payable to C.I.T. pursuant to paragraph 13 of the Participation Agreement.

"Indenture Default" shall mean any event or condition described in Section 4.01(a) hereof.

"Lease" shall mean that certain Lease of Railroad Equipment dated as of the date hereof, between the Owner Trustee and the Lessee, as amended or supplemented from time to time in accordance with its terms and the terms hereof and of the Lease Assignment, which Lease has been assigned by the Owner Trustee to the Indenture Trustee as provided in the Granting Clause hereof and in the Lease Assignment.

"Lease Assignment" shall mean that certain Assignment of Lease and Agreement dated as of the date hereof entered into among the Owner Trustee, the Indenture Trustee and the Lessee, as amended or supplemented from time to time in accordance with its terms and the terms hereof.

"Lease Default" shall mean any of the events defined as an Event of Default in the Lease.

"Lender" shall mean and include Teachers Insurance and Annuity Association of America, a New York life insurance company, together with its successors and assigns.

"Lessee" shall mean and include Interpool, Limited, together with its permitted successors and assigns as lessee under the Lease.

"Lessor's Cost" shall have the meaning ascribed to such term in the Participation Agreement.

"Loan Certificates" shall mean the 12.40% Loan Certificates due 1995 and issued by the Owner Trustee under this Indenture.

"Loan Closing Date" shall mean the date for the issuance of the Loan Certificates under the Participation Agreement.

"Majority in Interest of Holders" as of any particular date of determination shall mean the Eligible Holders of not less than 51% in aggregate principal amount of the Loan Certificates then outstanding held by Eligible Holders; provided that, unless (x) an Event of Purchase shall have occurred and be continuing or (y) C.I.T. shall have breached its obligations to purchase any Loan Certificates pursuant to the Purchase Agreement, if a Lease Default or a Payment Default shall have occurred and be continuing, a Majority in Interest of Holders shall mean C.I.T. and the Eligible Holders of not less than 51% in aggregate principal amount of Loan Certificates then outstanding held by Eligible Holders.

"Mortgaged Property" shall have the meaning ascribed to such term in Section 4.01(b) hereof.

"Participation Agreement" shall mean that certain Participation Agreement dated as of the date hereof, among the Owner Trustee, the Owner Participant, the Lessee, the Indenture Trustee, the Lender, C.I.T. and C.I.T. Financial, as amended or supplemented from time to time in accordance with its terms.

"Purchase Agreement" shall mean that certain Purchase Agreement dated as of the date hereof by C.I.T., as amended or supplemented from time to time in accordance with its terms.

"Purchase Order" shall mean that certain purchase order dated April 10, 1980 submitted by the Lessee to the Builder for the purchase of the Units and accepted by the Builder pursuant to an acknowledgement letter dated April 15, 1980, as amended or supplemented from time to time in accordance with its terms and the terms of the Purchase Order Assignment.

"Purchase Order Assignment" shall mean that certain Purchase Order Assignment dated as of the date hereof, among the Lessee, the Owner Trustee and the Builder, as amended or supplemented from time to time in accordance with its terms and the terms hereof.

"Register" shall have the meaning ascribed to such term in Section 2.05 hereof.

"Trust Estate" shall have the meaning ascribed to such term in the Granting Clause of this Indenture.

"Trust Office" shall mean the principal corporate trust office of the Indenture Trustee at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department, or such other principal corporate trust office as the Indenture Trustee shall designate in a written notice to the Lenders and the Owner Trustee, or the principal corporate trust office of any successor Indenture Trustee.

"Units" shall mean the units of 70 ton 89'4" general purpose flat cars described in Schedule A hereto.

SECTION 1.02. For all purposes of this Indenture the following terms shall have the meanings defined in the Lease: "Casualty Occurrence", "Casualty Value" and "Event of Default".

SECTION 1.03. For all purposes of this Indenture the following terms shall have the meanings defined in the Trust Agreement: "Business Day" and "Estate".

SECTION 1.04. For all purposes of this Indenture, the following terms shall have the meanings defined in the Purchase Agreement: "Eligible Holder", "Event of Purchase" and "Payment Default".

## ARTICLE II

### THE LOAN CERTIFICATES

SECTION 2.01. Each Loan Certificate shall be issued pursuant to Section 2.02 or 2.03 hereof and shall comply with or be subject to the following general requirements.

(a) It shall be in a denomination of \$10,000 or more and shall be payable in lawful money of the United States.

(b) Payments or prepayments which do not discharge all indebtedness evidenced by such Loan Certificate shall be made only at the Trust Office, against presentation for notation of such payment or prepayment, unless the Indenture Trustee and the holder of such Loan Certificate shall have entered into a home office payment agreement pursuant to Section 2.06 hereof.



(c) Payments or prepayments which will discharge all indebtedness evidenced by a Loan Certificate shall be made only against surrender of such Loan Certificate at the Trust Office.

(d) It shall be designated as a "12.40% Equipment Trust Loan Certificate due 1995".

SECTION 2.02. (a) The Loan Certificates shall:

(i) be limited in aggregate principal amount (exclusive of any New Loan Certificates issued pursuant to Section 2.03) to \$7,998,347 or 66.708482% of the aggregate amount of Lessor's Cost of all Units subject to the Lease at the time such Loan Certificates are issued, whichever is less;

(ii) be originally issued only pursuant to Section 2.02(b);

(iii) each be dated the Loan Closing Date;

(iv) each mature on July 2, 1995;

(v) each bear interest on the unpaid principal amount thereof from the date thereof to maturity, whether by acceleration or otherwise, at the rate of 12.40% per annum, and on any overdue principal and interest, at the rate of 13.40% per annum (or in each case at the highest rate, if any, permitted by applicable law, whichever is less), in each case computed on the basis of a 360-day year of twelve 30-day months;

(vi) each be due and payable as to the interest, if any, accrued thereon from the date thereof to January 2, 1981 on January 2, 1981;

(vii) each be due and payable on July 2, 1981 and on each January 2 and July 2 thereafter to and including July 2, 1995, in 29 semi-annual instalment payments, containing both principal and interest, in an amount for each Loan Certificate on such January 2 or July 2 determined by multiplying the original principal amount of such Loan Certificate by the percentage set forth opposite such January 2 or July 2, as the case may be, in Schedule B hereto, each instalment payment, when paid, to be applied first to the payment of all interest accrued and unpaid on such Loan Certificate and then to payment on account of the principal thereof then payable; provided,

that upon any partial prepayment of the principal of such Loan Certificate pursuant to Section 3.02 hereof, the amount of each subsequent instalment payment thereafter to be made on such Loan Certificate shall be reduced by the proportion that such partial prepayment of such Loan Certificate bears to the unpaid principal amount of such Loan Certificate immediately prior to such prepayment;

(viii) be prepayable or redeemable only as provided in Section 3.02 or 4.01(e); and

(ix) be substantially in the form and bear thereon the Indenture Trustee's certificate of authentication and a marking grid substantially in the form, set forth in Schedule C hereto, with such omissions, insertions and variations as the Owner Trustee may determine with the approval of the Indenture Trustee and as are not inconsistent with the provisions of this Indenture or as may be provided for in this Indenture.

(b) On the Loan Closing Date the Owner Trustee shall execute and originally issue one or more Loan Certificates in accordance with the provisions of the Participation Agreement. The Owner Trustee may deliver to the Indenture Trustee fully executed Loan Certificates, in an aggregate principal amount which shall not exceed the aggregate principal amount specified in Section 2.01(a)(i) hereof, and such Loan Certificates so delivered shall be authenticated and delivered by the Indenture Trustee in accordance with the written order of the Owner Trustee on the Loan Closing Date. The written order shall contain sufficient information to allow registration of such Loan Certificates and shall be the only authority required by the Indenture Trustee for the authentication and delivery of such Loan Certificates pursuant to this Section 2.02(b).

SECTION 2.03. (a) The Owner Trustee shall execute and issue and the Indenture Trustee shall authenticate, deliver and register one or more new Loan Certificates ("New Loan Certificates") to effect a registration of transfer of Loan Certificates, or an exchange or substitution of or for one or more Loan Certificates ("Old Loan Certificates"), upon compliance by the holder of the Old Loan Certificates with Section 2.03(b). The New Loan Certificates shall be dated the same date, be of the same tenor, have the same designation, and be in the same aggregate original principal amount as the Old Loan Certificates then being transferred, exchanged or substituted therefor.

(b) If a holder wishes to transfer any Loan Certificates, or exchange or substitute for Old Loan Certificates, it shall deliver them (or the indemnity and security referred to below) to the Indenture Trustee, with either one or more instruments of transfer or a request for such exchange or substitution. The Owner Trustee may also require the payment of a sum to reimburse it, or provide it with funds, for the payment of any transfer tax or similar governmental charge paid or payable by the Owner Trustee in connection with the transfer, exchange or substitution. Each such request or instrument of transfer shall be in form satisfactory to the Indenture Trustee, and shall include, among other things, a statement as to the number and denominations and form of New Loan Certificates to be issued in connection with such transfer, exchange or substitution, and sufficient information with respect to the new holder thereof to complete the registration of the New Loan Certificates. In any case involving destroyed, lost or stolen Old Loan Certificates, the holder thereof shall advise the Indenture Trustee, C.I.T. and C.I.T. Financial of such destruction, loss or theft and, in lieu of such Old Loan Certificates, indemnity and security reasonably satisfactory to the Owner Trustee, C.I.T., C.I.T. Financial and the Indenture Trustee against loss or liability, which, if such holder is the Lender or its nominee or C.I.T. or its nominee, shall be the Lender's or C.I.T.'s, as the case may be, written agreement to indemnify the Owner Trustee and the Indenture Trustee. The Owner Trustee and the Indenture Trustee confirm that upon surrender for registration of transfer of any Loan Certificate, endorsed in the form provided thereon for such purpose for transfer to C.I.T. or a nominee of C.I.T., the Owner Trustee shall execute, and the Indenture Trustee shall authenticate and deliver, in the name of C.I.T. or its nominee, one or more new Loan Certificates of a like aggregate principal amount.

(c) The Indenture Trustee shall mark on each New Loan Certificate the date to which interest shall have been paid, and the proportionate amount of principal allocable to such New Loan Certificate which shall have been repaid, on the Old Loan Certificates. Interest and principal shall be deemed to have been paid to the extent marked on the New Loan Certificate. Each New Loan Certificate, when authenticated by the Indenture Trustee, shall be a valid and binding obligation of the Owner Trustee legally enforceable against the Trust Estate, evidencing the same debt as the Old Loan Certificates (or allocable portion thereof), and entitled to the benefits and security of this Indenture.

SECTION 2.04. (a) Two officers of the Owner Trustee shall execute each Loan Certificate, and the Owner Trustee's corporate seal shall be affixed thereto. If proper officers of the Owner Trustee shall execute and attest a Loan Certificate on the actual date of its execution and attestation, such Loan Certificate shall be validly executed and attested for all purposes of this Indenture even though either or both of such persons were not such officers of the Owner Trustee on the date such Loan Certificate was issued or the date of its authentication.

(b) The execution by the Indenture Trustee of the certificate of authentication of a Loan Certificate, and its delivery by the Indenture Trustee, shall be conclusive, and the only competent evidence that such Loan Certificate has been duly issued and is entitled to the benefits and security of this Indenture. Until such authentication and delivery, a Loan Certificate shall not be valid or binding, or in any way entitled to the benefits and security hereof.

SECTION 2.05. The Indenture Trustee will maintain at the Trust Office a register or registers (the "Register") suitable for the registration and re-registration of transfer of the Loan Certificates, and shall maintain therein a record of each Loan Certificate, the name and address of the holder thereof (showing separate addresses, if requested, for payments, notices and other matters), the date of each transfer, and similar information relating to each transferee.

SECTION 2.06. A home office payment agreement is an agreement between the Indenture Trustee and the holder of a Loan Certificate (or the person for whom such holder is a nominee) to the effect contained in paragraph 12 of the Participation Agreement. Upon the filing with the Indenture Trustee of a copy of a home office payment agreement in form reasonably satisfactory to the Indenture Trustee with respect to one or more Loan Certificates, the Indenture Trustee will make payments and prepayments on such Loan Certificates in accordance with such agreement, instead of in accordance with Section 2.01(b) hereof notwithstanding any provision to the contrary contained in this Indenture or in any Loan Certificate. Paragraph 12 of the Participation Agreement constitutes such a home office payment agreement with respect to the Lender and C.I.T.

SECTION 2.07. (a) Prior to due presentment for registration of transfer of any Loan Certificate, the Owner Trustee, C.I.T., C.I.T. Financial and the Indenture Trustee may deem and treat the person in whose name such Loan Certificate is registered as the absolute holder and owner thereof (whether or not such Loan Certificate shall be overdue) for all purposes, and neither the Owner Trustee nor the Indenture Trustee shall be affected by any notice to the contrary.

(b) All payments in respect of any Loan Certificate shall be made only to or upon the order of its holder. All such payments so made, including those made pursuant to Section 2.06 hereof, shall be valid and effectual to satisfy and discharge the liability of the Owner Trustee in respect of such Loan Certificate to the extent of the sum or sums so paid.

SECTION 2.08. Promptly after the issuance of any Loan Certificate pursuant to Section 2.02 or 2.03 hereof, and promptly after the partial prepayment of any Loan Certificate pursuant to Section 3.02 hereof, the Indenture Trustee shall procure four copies of an amortization schedule with respect to such Loan Certificate, and the Indenture Trustee shall promptly send one of such copies to the holder of such Loan Certificate, to C.I.T. and to the Owner Trustee, respectively, and shall retain the remaining copy. Such amortization schedule shall set forth the amount of each instalment payment, the portions thereof allocable to principal and interest, and the unpaid principal of such Loan Certificate after each instalment payment has been made.

SECTION 2.09. All Loan Certificates surrendered to the Indenture Trustee for payment in full or in connection with an exchange or transfer shall be promptly cancelled by the Indenture Trustee and no Loan Certificates shall be issued in exchange or substitution therefor except as otherwise expressly permitted hereby.

SECTION 2.10. The Indenture Trustee is hereby appointed the agent of the Owner Trustee for the payment, registration, registration of transfer, exchange and substitution of Loan Certificates, and to receive duplicate copies of all notices to and demands upon the Owner Trustee with respect to the Loan Certificates or this Indenture. Loan Certificates may be presented for payment, and notices to or demands upon the Owner Trustee with respect to the Loan Certificates or this Indenture may be given or made, at the Trust Office. The Indenture Trustee will, within five days of its receipt of any notice or demand, notify the Owner Trustee thereof. The Indenture Trustee's failure

to notify the Owner Trustee will not, however, relieve the Owner Trustee of any of its obligations hereunder or affect or impair any of the rights of or impose any liability upon the Indenture Trustee or the holders of the Loan Certificates.

SECTION 2.11. The Owner Trustee may, but shall not be obligated to, pay the amount to become due on any January 2 of the (i) interest payable on all (but not less than all) of the Loan Certificates and (ii) Commitment Fees payable under paragraph 13 of the Participation Agreement, one Business Day (but not sooner) prior to such January 2 in immediately available funds in such amount by 12 noon New York City time on such Business Day at the Trust Office. The Indenture Trustee shall hold such amount as part of the Trust Estate and apply such amount, together with payments of rent under Section 3 of the Lease, in the manner provided in Section 3.01 hereof; provided, however, that the payment of any such amount by the Owner Trustee shall not relieve the Lessee of making any payment of rent under Section 3 of the Lease or any other amount payable under the Lease or reduce the amount of any such payment.

SECTION 2.12. If the Indenture Trustee shall receive a certificate or certificates of C.I.T. pursuant to paragraph 2(f) of the Purchase Agreement to the effect that the Loan Certificate or Certificates held by the holder or holders named in such certificate or certificates are no longer entitled to be sold to C.I.T. pursuant to paragraph 2(a) of the Purchase Agreement, the Indenture Trustee shall promptly notify each holder of a Loan Certificate named in such certificate or certificates and, in the event any such Loan Certificate shall be presented to the Indenture Trustee for exchange or registration of transfer, the Indenture Trustee shall, unless the Indenture Trustee shall have any reasonable belief that any such statement in such certificate or certificates is incorrect, imprint a conspicuous legend upon such Loan Certificate stating in substance:

"This Loan Certificate is not entitled to be sold to C.I.T. Corporation pursuant to Paragraph 2(a) of the Purchase Agreement, and C.I.T. Corporation is not required to purchase this Loan Certificate pursuant to Paragraph 2(a) of the Purchase Agreement."

Such legend shall not, however, be conclusive of any dispute between C.I.T. and the prior holder of any Loan Certificate as to any of the matters set forth in such certificate.

SECTION 2.13. All payments to be made by the Owner Trustee or the Indenture Trustee under the Loan Certificates or under this Indenture shall be made only from the income and the proceeds from the Trust Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Trust Estate to make such payments or portions thereof in accordance with Article III hereof. Each holder of a Loan Certificate, by its acceptance of such Loan Certificate, and C.I.T. agrees, except as otherwise expressly provided in this Indenture, the Participation Agreement or the Trust Agreement, that as to the Owner Trustee or the Indenture Trustee it will look solely to the income and proceeds from the Trust Estate to the extent available for distribution to such holder or C.I.T. as herein provided and that neither the Owner Trustee nor the Indenture Trustee shall be personally liable to the holder of any Loan Certificate or C.I.T. for any amounts payable by the Owner Trustee or the Indenture Trustee under any Loan Certificate, the Participation Agreement or this Indenture.

SECTION 2.14. In the event that the Indenture Trustee receives notice that one or more Eligible Holders have demanded that C.I.T., pursuant to the Purchase Agreement, purchase the Loan Certificates held by the Eligible Holders, the Indenture Trustee will give prompt written notice thereof to the other Eligible Holders specifying the Eligible Holder or Holders making such demand and the address of such Eligible Holders, together with any notice received by the Indenture Trustee with respect to such demand.

### ARTICLE III

#### RECEIPT, DISTRIBUTION AND APPLICATION OF INCOME FROM THE TRUST ESTATE

SECTION 3.01. Except as otherwise provided in Section 3.03 hereof, each payment of rent pursuant to Section 3 of the Lease (or amounts in lieu thereof), as well as any payment of interest on any such rent which is overdue, received by the Indenture Trustee at any time shall be distributed by the Indenture Trustee on the date such payment is due from the Lessee (or as soon thereafter as such payment shall be received by the Indenture Trustee) in the following order of priority: first, so much of such payment as shall be required to pay in full the aggregate amount of the interest payments or instalment payments, as the case may be, then due on the Loan Certificates shall be distributed to the holders of the Loan Certificates

ratably, without priority of one Loan Certificate over the other, in the proportion for each holder of a Loan Certificate that the amount of such payment or payments then due on the Loan Certificates held by such holders bears to the aggregate amount of the interest payments or instalment payments, as the case may be, then due hereunder on all Loan Certificates; second so much of such payment remaining as shall be required to pay in full the aggregate amount of the Commitment Fees then due pursuant to paragraph 13 of the Participation Agreement shall be distributed to C.I.T.; and, third the balance, if any, of such payment remaining shall be distributed to the Owner Trustee.

SECTION 3.02. (a) Except as otherwise provided in Section 3.03 hereof, any payment received by the Indenture Trustee representing the Casualty Value of any Unit pursuant to Section 7(a) of the Lease as the result of a Casualty Occurrence with respect to such Unit shall in each case be distributed forthwith upon receipt by the Indenture Trustee in the following order of priority: first, so much of such payment as shall be required to prepay, without premium or penalty, an aggregate principal amount of Loan Certificates equal to the amount obtained by multiplying the aggregate unpaid principal amount of the Loan Certificates outstanding as of such date of distribution by a fraction the numerator of which is Lessor's Cost of such Unit and the denominator of which is Lessor's Cost of all Units (including such Unit) then subject to the Lease prior to the payment of such Casualty Value, plus interest accrued and unpaid on such aggregate principal amount so prepaid to the date of distribution, shall be distributed to the holders of the Loan Certificates, ratably, without priority of one Loan Certificate over the other, in the proportion for each holder of a Loan Certificate that the aggregate unpaid principal amount of the Loan Certificates held by such holder bears to the aggregate unpaid principal amount of all Loan Certificates then outstanding; second, so much of such payment remaining as shall be required to pay an amount of the Commitment Fees payable pursuant to paragraph 13 of the Participation Agreement equal to the amount obtained by multiplying the aggregate amount of the Commitment Fees then due pursuant to paragraph 13 of the Participation Agreement by the fraction referred to in clause first of this Section 3.02 (a), shall be distributed to C.I.T.; and third, the balance, if any, of such payment remaining thereafter shall be distributed to the Owner Trustee. Upon the Lessee's becoming obligated to make the payment of the Casualty Value of any Unit pursuant to Section 7(a) of the Lease as a result of a Casualty Occurrence



with respect to such Unit, the aggregate principal amount of the Loan Certificates to be prepaid pursuant to clause first of this Section 3.02(a), together with accrued and unpaid interest on such aggregate principal amount to be so prepaid, shall become due and payable on the date such Casualty Value is required to be paid under the Lease.

(b) Except as otherwise provided in Section 3.03 hereof, any payment received directly or through the Lessee pursuant to Section 7(c) of the Lease as condemnation or similar payments or the payment of insurance proceeds with respect to any Unit as a result of a Casualty Occurrence, to the extent such payment is not at the time required to be paid to the Lessee pursuant to said Section 7(c), shall, except as otherwise provided in the second sentence of this Section 3.02(b), be distributed forthwith upon receipt by the Indenture Trustee in the order of priority and, to the extent available, in the respective amounts set forth in Section 3.02(a) hereof. Any portion of any payment referred to in the first sentence of this Section 3.02(b) which is not required to be paid to the Lessee pursuant to Section 7(c) of the Lease solely because the Indenture Trustee shall not have received from the Lessee the Casualty Value with respect to the Unit suffering the Casualty Occurrence shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease, and at such time as the aforesaid Casualty Value shall have been paid, such portion shall be paid to the Lessee unless the Indenture Trustee shall have theretofore declared the Lease to be in default pursuant to Section 10 thereof, in which event such portion shall be distributed forthwith upon such declaration in accordance with the provisions of Section 3.03(a) hereof.

SECTION 3.03. (a) All payments received and amounts realized by the Indenture Trustee after an Indenture Default shall have occurred and be continuing and, if such Indenture Default is also a Lease Default, after the Indenture Trustee has declared the Lease to be in default pursuant to Section 10 thereof or, if such Indenture Default is not a Lease Default, after the Indenture Trustee or a Majority in Interest of Holders has declared the Loan Certificates to be due and payable pursuant to Section 4.01(d) hereof (including any amounts realized by the Indenture Trustee from the exercise of any remedies pursuant to Section 10 of the Lease), as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default shall be continuing, shall be distributed by the Indenture Trustee in the following order of priority:

first, so much of such payments or amounts as shall be required to reimburse the Indenture Trustee for any tax, expense, fees or other loss incurred by the Indenture Trustee and all advances made pursuant to Section 4.06 (to the extent not otherwise reimbursed and to the extent incurred in connection with its duties as Indenture Trustee, respectively) shall be distributed to the Indenture Trustee; second, (i) so much of such payments or amounts remaining as shall be required to reimburse the holders of the Loan Certificates or C.I.T. for payments made to the Indenture Trustee pursuant to Section 5.03 hereof or for payments made to the Indenture Trustee which the Owner Participant is required to make pursuant to paragraph 7 of the Participation Agreement shall be distributed to the holders of the Loan Certificates and C.I.T. ratably, without priority of one over the other, in accordance with the amount of such payment or payments made by each of them pursuant to said Section 5.03 or said paragraph 7, and (ii) so much of such payments or amounts remaining as shall be required to pay to the holders of the Loan Certificates any amounts owed to them pursuant to the provisions of Section 6 or 9 of the Lease shall be distributed to each holder of a Loan Certificate entitled thereto; and in case the aggregate amount so to be paid to all holders of the Loan Certificates in accordance with clauses (i) and (ii) of this clause second above shall be insufficient to pay all such amounts as aforesaid, then, ratably, without priority of one holder of a Loan Certificate over another, in the proportion for each holder of a Loan Certificate that the aggregate unpaid principal amount of the Loan Certificates held by such holder bears to the aggregate unpaid principal amount of the Loan Certificates then outstanding; third, so much of such payments or amounts remaining as shall be required to pay in full the aggregate unpaid principal amount of the Loan Certificates plus the accrued but unpaid interest thereon to the date of distribution shall be distributed to the holders of the Loan Certificates ratably, without priority of one over the other, in the proportion for each holder of a Loan Certificate that the aggregate unpaid principal amount of the Loan Certificates held by such holder bears to the aggregate unpaid principal amount of the Loan Certificates then outstanding; fourth (i) so much of such payments or amounts remaining as shall be required to pay in full the amount of the Commitment Fees payable pursuant to paragraph 13 of the Participation Agreement shall be distributed to C.I.T., and (ii) so much of such payments or amounts remaining as shall be required to pay to C.I.T. and C.I.T. Financial any amounts owed to them pursuant to the provisions of Section 6 or 9 of the Lease shall be distributed to C.I.T. and C.I.T. Financial; and, fifth, the balance, if any, of such payments or amounts remaining thereafter shall be distributed to the Owner Trustee.

(b) All payments received and amounts realized by the Indenture Trustee after an Indenture Default or an event or condition which, after the giving of notice or the lapse of time or both, would constitute an Indenture Default shall have occurred and be continuing but prior to the Indenture Trustee having declared the Lease to be in default pursuant to Section 10 thereof or the Indenture Trustee or a Majority in Interest of Holders having declared the Loan Certificates to be due and payable pursuant to Section 4.01(d) hereof, as well as all payments or amounts then held or thereafter received by the Indenture Trustee as part of the Trust Estate while such Indenture Default (or other event or condition) shall be continuing but prior to such declaration shall be distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof, second, in the manner provided in clause "first" of Section 3.01 hereof, and third in the manner provided in clause "second" of Section 3.01 hereof, and the remainder shall be held by the Indenture Trustee as security for the obligations of the Lessee under the Lease; provided that in the event of a declaration of default under Section 10 of the Lease within 90 days after receipt by the Indenture Trustee of notice of the occurrence of an Indenture Default, such remainder shall be distributed in the order of priority set forth in Section 3.03(a) hereof, and in the absence of such declaration within such 90-day period, such remainder shall be distributed in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof, second, in the manner provided in clause "first" of Section 3.01, third, in the manner provided in clause "second" of Section 3.03(a) hereof, fourth in the manner provided in clause "fourth" of Section 3.03(a) hereof, and fifth, in the manner provided in clause "fifth" of Section 3.03(a) hereof.

SECTION 3.04. Except as otherwise provided in Section 3.03 hereof, and so long as an Indenture Default shall not have occurred and be continuing, all indemnity payments, payments for taxes or for the discharge of liens on the Trust Estate, or other similar payments received by the Indenture Trustee from or on behalf of the Lessee, the Owner Trustee or the Owner Participant pursuant to Sections 6(a), 6(b), 6(e), 9(e), 9(f), 9(i), 12(b), 12(d), 13(c) and 13(e) of the Lease shall promptly upon receipt be paid to the person entitled to such amounts under such provision.

SECTION 3.05. Except as otherwise provided in Sections 3.01, 3.02, 3.03 and 3.04 hereof, and so long as an Indenture

Default shall not have occurred and be continuing, any payments received by the Indenture Trustee for which provision as to the application thereof is made in the Lease shall be applied forthwith to the purpose for which such payment was made in accordance with the terms of the Lease.

SECTION 3.06. Except as otherwise provided in Sections 3.01, 3.02, 3.03, 3.04 and 3.05 hereof:

(a) any payments (other than payments under Section 5.03 hereof) received by the Indenture Trustee for which no provision as to the application thereof is made in the Lease or elsewhere in this Article III, and

(b) all payments received and amounts realized by the Indenture Trustee under the Lease or otherwise with respect to the Units (including, without limitation, all amounts realized upon the sale or release of such Units after the termination of the Lease with respect thereto) to the extent received or realized at any time after payment in full of the principal of and interest on the Loan Certificates and of the Commitment Fees as well as any other amounts remaining as part of the Trust Estate after payment in full of such principal and interest and of the Commitment Fees,

shall (but, in the case of clause (a) above, only as long as no Indenture Default and no Lease Default shall have occurred and be continuing) be forthwith distributed by the Indenture Trustee in the following order of priority: first, in the manner provided in clause "first" of Section 3.03(a) hereof; second, in the manner provided in clause "second" of Section 3.03(a) hereof; third, in the manner provided in clause "fourth" of Section 3.03(a) hereof; and fourth in the manner provided in clause fifth of Section 3.03(a) hereof.

SECTION 3.07. All amounts from time to time distributable under this Indenture by the Indenture Trustee to the Owner Participant shall be paid by the Indenture Trustee by bank wire to the account of the Owner Trustee at such banking institution as may be specified to the Indenture Trustee in writing, for distribution to the Owner Participant in accordance with the provisions of this Indenture; provided, however, that the Indenture Trustee may, upon the written instructions of the Owner Trustee, make payment directly to the Owner Participant of amounts distributable to it as aforesaid, except that the Indenture Trustee's sole responsibility under this proviso to this Section 3.07 shall be to make such payment to whomever is designated by the Owner Trustee in such written instructions in the amounts so specified.

## ARTICLE IV

### REMEDIES OF THE INDENTURE TRUSTEE

SECTION 4.01. (a) Any one of the following events or conditions shall constitute an Indenture Default:

(i) a Lease Default; or

(ii) any payment of principal or interest due on any Loan Certificate shall not be paid when and as same shall become due and payable; or

(iii) the Owner Participant (which as used in this clause (a) shall mean any person or entity included with the meaning of "Owner Participant" and any other person or entity which has guaranted any covenant or agreement of such person or entity under paragraph 11 of the Participation Agreement) or the Owner Trustee shall fail to perform or observe any covenant, condition or agreement made to, with or for the benefit of the holders of the Loan Certificates or the Indenture Trustee to be performed or observed by either the Owner Participant or the Owner Trustee hereunder or under the Lease, the Lease Assignment, the Purchase Order Assignment, the Participation Agreement or the Trust Agreement and such failure shall continue unremedied for a period of 30 days after the Owner Participant or the Owner Trustee, as the case may be, first obtains knowledge of such default (irrespective of the source of such knowledge); or

(iv) any representation or warranty made by the Owner Participant or the Owner Trustee or on behalf of the Owner Participant or the Owner Trustee by any of their respective officers or representatives in this Indenture, in the Lease, in the Lease Assignment, in the Purchase Order Assignment, in the Participation Agreement or in the Trust Agreement or in any certificate or other document delivered pursuant to this Indenture, the Lease, the Lease Assignment, the Purchase Order Assignment, the Participation Agreement or the Trust Agreement shall prove at any time to be incorrect in any material respect as of the date made; or

(v) if the Owner Participant or the Estate shall admit in writing its inability to pay its debts generally as they become due, file a petition in bankruptcy or

commence proceedings under any bankruptcy, insolvency, reorganization, readjustment of debt, dissolution or liquidation law or statute now or hereafter in effect, make an assignment for the benefit of its creditors, consent to the appointment of a receiver of itself or of the whole or any substantial part of its properties, or on a petition in bankruptcy filed against the Owner Participant or the Estate, be adjudicated a bankrupt, or an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Owner Participant or the Estate, a receiver of the Owner Participant or the Estate, or of the whole or any substantial part of the Owner Participant's or the Estate's properties, and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of such appointment, or a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Owner Participant or the Estate, under any bankruptcy, insolvency, reorganization, readjustment of debt, dissolution or liquidation law or statute now or hereafter in effect, and such order, judgment or decree shall not be vacated or set aside or stayed within 60 days from the date of the entry of such order, judgment or decree, or a stay of such proceedings shall be thereafter set aside, or under the provision of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Owner Participant or the Estate or of the whole or any substantial part of the Owner Participant's or the Estate's properties, and such custody or control shall not be terminated within 60 days from the date of assumption of such custody or control.

(b) After a Lease Default shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to Section 10 thereof, then, and in every such case (subject, however, to Section 4.01(c) hereof), the Indenture Trustee, as assignee hereunder and under the Lease Assignment of the Lease or as mortgagee hereunder of the Units or otherwise, may, and when required pursuant to the provisions of Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies pursuant to Section 10 of the Lease and this Article IV and may take possession of all or any part of the properties (hereinafter referred to as the "Mortgaged Property") covered or intended to be covered by the lien created hereby or pursuant hereto and may exclude the Owner

Participant, the Owner Trustee and the Lessee and all persons claiming under any of them wholly or partly therefrom. In the event the Indenture Trustee shall at any time declare the Lease to be in default pursuant to Section 10 thereof, the aggregate unpaid principal amount of all Loan Certificates then outstanding together with accrued interest thereon shall immediately become due and payable without further act or notice of any kind.

(c) In the case of a Lease Default consisting of the Lessee's failure to pay when due an instalment of rent under Section 3 of the Lease, the Indenture Trustee shall, not later than 10 days after such failure, give the Owner Trustee and the Owner Participant notice of such failure and shall not exercise any of the rights and powers or pursue any of the remedies pursuant to Section 10 of the Lease and this Article IV solely as a result of such failure if (i) such failure shall not constitute (a) the third consecutive failure by the Lessee to pay when due an instalment of rent under Section 3 of the Lease and (b) the fourth failure (whether or not consecutive) by the Lessee to pay when due an instalment of rent under Section 3 of the Lease, (ii) the Indenture Trustee shall have received from the Owner Trustee or the Owner Participant within five Business Days following the date of such notice the full amount of all instalments of rent and other amounts of money then payable by the Lessee under the Lease, together with any interest payable thereon, and shall continue to receive when due (from the Lessee, the Owner Trustee or the Owner Participant) all amounts of money payable under the Lease up to the date the next succeeding instalment of rent is due under Section 3 of the Lease, (iii) no Indenture Default which is not a Lease Default and no event or condition which, after the giving of notice or the lapse of time or both, would constitute such an Indenture Default shall have occurred and be continuing, (iv) no event or condition specified in paragraphs F, G or H of Section 10(a) of the Lease shall have occurred and be continuing, and (v) the obligations of the Lessee under Sections 5, 6, 7(c) and 12 of the Lease are being complied with (whether by the Lessee, the Owner Trustee or the Owner Participant). Upon any payment of rent or other amount of money by the Owner Trustee or the Owner Participant in accordance with this Section 4.01(c), the Owner Trustee or the Owner Participant, as the case may be, shall be subrogated to the rights, if any, of the holders of the Loan Certificates and C.I.T. hereunder to receive such payment of rent (and the payment of interest on account of its being overdue) or amount of moneys and shall be entitled, subject to Sections 3.01 and 3.03 hereof, to receive such payment upon its receipt by the Indenture Trustee; provided, that the Owner Trustee or the Owner Participant, as the case may be, may not exercise any rights and powers or pursue any remedies pursuant to Section 10 of the Lease or otherwise which the Indenture Trustee would have been entitled to exercise or pursue but for the preceding sentence. Each Lease Default occurring subsequent to a Lease Default which was theretofore cured by the Owner

Trustee or the Owner Participant shall (if the Owner Trustee or the Owner Participant shall have the further right to cure) be subject to the notice requirement contained in this Section 4.01(c) and the right to cure granted to the Owner Trustee and the Owner Participant herein.

(d) If an Indenture Default which is not a Lease Default shall have occurred and be continuing, the Indenture Trustee or a Majority in Interest of Holders may declare the aggregate unpaid principal amount of all Loan Certificates then outstanding to be due and payable immediately by giving written notice to the Owner Trustee and (if such notice be given by a Majority in Interest of Holders) to the Indenture Trustee and upon any such declaration of acceleration such principal and accrued interest thereon shall become due and payable immediately without further act or notice of any kind. Upon such declaration, the Indenture Trustee, as assignee hereunder and under the Lease Assignment of the Lease or as mortgagee hereunder of the Units or otherwise, may, and when required pursuant to Article V hereof shall, exercise any or all of the rights and powers and pursue any and all of the remedies permitted by this Article IV, and may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under or through the Owner Trustee wholly or partly therefrom.

(e) At any time after (i) the Indenture Trustee has declared the Lease to be in default pursuant to Section 10 thereof, and (ii) the aggregate unpaid principal amount of all Loan Certificates then outstanding has become due and payable pursuant to Section 4.01(b), the Owner Trustee or the Owner Participant or the Owner Trustee and the Owner Participant jointly may purchase all (but not less than all) of the Loan Certificates from the holders thereof by paying such holders in immediately available funds the aggregate unpaid principal amount of all Loan Certificates, together with accrued interest thereon to the date of payment, plus all other sums then due and payable to such holders hereunder, under the Lease, under the Lease Assignment, under the Participation Agreement or the Loan Certificates; provided that at the time of such purchase C.I.T. shall have received all Commitment Fees then and theretofore payable plus all Commitment Fees accrued through the date of purchase. In the event that the Owner Trustee or the Owner Participant or the Owner Trustee and the Owner Participant jointly elect to purchase the Loan Certificates pursuant to this Section 4.01(e) after the Eligible Holders have given notice to C.I.T. pursuant to paragraph 2(a) of the Purchase Agreement demanding that C.I.T. purchase the Loan Certificates held by all Eligible Holders but before such purchase by C.I.T. has been consummated, any purchase pursuant to this Section 4.01(e) shall occur prior to said purchase by C.I.T.



SECTION 4.02. The Owner Trustee agrees that, in case one or more Indenture Defaults shall have occurred and be continuing and after the Lease shall have been declared in default pursuant to Section 10 thereof, or after the maturity of the Loan Certificates shall have been accelerated pursuant to Section 4.01(d), then, and in every such case, the Indenture Trustee may, subject to Section 4.01(c), exercise all of the rights, privileges and remedies given it hereunder, may take possession of all or any part of the Mortgaged Property and may exclude the Owner Trustee and all persons claiming under the Owner Trustee wholly or partly therefrom. At the request of the Indenture Trustee, the Owner Trustee shall promptly execute and deliver to the Indenture Trustee, without warranty or recourse, such instruments of title and other documents as the Indenture Trustee may deem necessary or advisable to enable the Indenture Trustee or an agent or representative designated by the Indenture Trustee, at such time or times and place or places as the Indenture Trustee may specify, to obtain possession of all or any part of the Mortgaged Property to the possession of which the Indenture Trustee shall at the time be entitled hereunder. If the Owner Trustee shall for any reason fail to execute and deliver such instruments and documents after such demand by the Indenture Trustee, the Indenture Trustee may (a) obtain a judgment conferring on the Indenture Trustee the right to immediate possession and requiring the Owner Trustee to deliver such instruments and documents to the Indenture Trustee, to the entry of which judgment the Owner Trustee hereby specifically consents to the extent permitted by law, and (b) pursue all or part of such Mortgaged Property wherever it may be found and may enter any of the premises of the Owner Trustee or the Lessee wherever such Mortgaged Property may be or is supposed to be and search for such Mortgaged Property and take possession of and remove such Mortgaged Property. Upon every such taking of possession the Indenture Trustee may, from time to time, at the expense of the Mortgaged Property, make all expenditures for maintenance, insurance, repairs, replacements, alterations, additions and improvements to and of the Mortgaged Property, as it may deem proper. In each such case, the Indenture Trustee shall have the right to use, operate, store, control or manage the Mortgaged Property and to carry on the business and to exercise all rights and powers of the Owner Trustee relating to the Mortgaged Property, as the Indenture Trustee shall deem best, including the right to enter into any and all such agreements with respect to the maintenance, operation, leasing, storage or disposition of the Mortgaged Property or any part thereof as the Indenture Trustee may determine; and the Indenture Trustee shall be entitled to collect and receive all tolls, rents, revenues,

issues, income, products and profits of the Mortgaged Property and every part thereof, without prejudice, however, to the right of the Indenture Trustee under any provision of this Indenture to collect and receive all cash held by, or required to be deposited with, the Indenture Trustee hereunder. Such tolls, rents, revenues, issues, income, products and profits shall be applied to pay the expenses of holding and operating the Mortgaged Property and of conducting the business thereof, and of all maintenance, repairs, replacements, alterations, additions and improvements, and to make all payments which the Indenture Trustee may be required or may elect to make, if any, for taxes, assessments, insurance or other proper charges upon the Mortgaged Property or any part thereof (including the employment of engineers and accountants to examine, inspect and make reports upon the properties and books and records of the Owner Trustee), and all other payments which the Indenture Trustee may be required or authorized to make under any provision of this Indenture, as well as just and reasonable compensation for the services of the Indenture Trustee, and of all persons properly engaged and employed by the Indenture Trustee.

SECTION 4.03. (a) If an Indenture Default shall have occurred and be continuing, and after the Lease shall have been declared in default pursuant to Section 10 thereof, or after the maturity of the Loan Certificates shall have been accelerated pursuant to Section 4.01(d), then, and in every such case, the Indenture Trustee may, if and to the extent permitted by law, by such officer or agent as it may appoint, with or without entry, sell the Mortgaged Property as an entirety or in such portion or portions as the Indenture Trustee may determine, at one or more public or private sales held at such place or places as the Indenture Trustee may fix or as may be required by law, having given any notice which may be required by law; and from time to time may adjourn such sale or sales in the discretion of the Indenture Trustee by announcement at the time and place appointed for such sale or sales or for such adjourned sale or sales without further notice except such as may be required by law; and upon such sale or sales the Indenture Trustee shall make or deliver or shall cause the Owner Trustee to make or deliver to the purchaser or purchasers good and sufficient instruments of title to the Mortgaged Property. The Indenture Trustee and its successors are hereby irrevocably appointed the true and lawful attorneys of the Owner Trustee, in its name and stead, to make all necessary conveyances, assignments and transfers of property thus sold; and for that purpose they may execute all necessary deeds, bills of sale and instruments of assignment and transfer, and

may substitute one or more persons, firms or corporations with like power, the Owner Trustee hereby ratifying and confirming all that its said attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof. Nevertheless, if so requested by the Indenture Trustee or by any purchaser, the Owner Trustee shall ratify and confirm any such sale or transfer by executing and delivering to the Indenture Trustee or to such purchaser or purchasers all proper conveyances, assignments, instruments of transfer and releases as may be designated in any such request.

(b) Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the sale of the Mortgaged Property shall be made as a whole or in such portion or portions and in such order as the Indenture Trustee in its discretion shall deem most expedient. The Owner Trustee, to the full extent that it may lawfully do so, for itself, and for all who may claim through or under it, hereby expressly waives and releases all right to have the Mortgaged Property or any part thereof marshalled upon any foreclosure, sale or other enforcement hereof, and the Indenture Trustee, or any court in which the foreclosure of this Indenture or the administration of the trusts hereby created is sought, shall have the right as aforesaid to sell the entire Mortgaged Property as a whole or in portions as it sees fit.

(c) Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the Indenture Trustee may bid for and purchase the Mortgaged Property so sold, except at a private sale when such bidding and purchase is prohibited by law, and upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in its own absolute right without further accountability. Upon any such sale, the receipt of the Indenture Trustee, or of the officer making a sale under judicial proceedings, shall be a sufficient discharge to the purchaser or purchasers at any sale for his or their purchase money, and such purchaser or purchasers, or his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt of the Indenture Trustee or of such officer therefor, be obliged to see to the application of such purchase money or be in anywise answerable for any loss, misapplication or non-application thereof. Any such sale shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Owner Trustee in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Owner Trustee, and its successors and assigns, and

against any and all persons claiming or to claim the property sold or any part thereof from, through or under the Owner Trustee or its successors or assigns.

SECTION 4.04. Each and every right, power and remedy herein specifically given to the Indenture Trustee or otherwise in this Indenture shall be cumulative and shall be in addition to every other right, power and remedy herein specifically given or now or hereafter existing at law, in equity or by statute, and each and every right, power and remedy whether specifically herein given or otherwise existing may be exercised from time to time and as often and in such order as may be deemed expedient by the Indenture Trustee and the exercise or the beginning of the exercise of any power or remedy shall not be construed to be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy. No delay or omission by the Indenture Trustee in the exercise of any right, remedy or power or in the pursuance of any remedy shall impair any such right, power or remedy or be construed to be a waiver of any default on the part of the Owner Participant, the Owner Trustee or the Lessee or to be an acquiescence therein.

SECTION 4.05. In case the Indenture Trustee shall have proceeded to enforce any right, power or remedy under this Indenture by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Indenture Trustee, then and in every such case the Owner Trustee, the Indenture Trustee and the Lessee shall be restored to their former positions and rights hereunder with respect to the Mortgaged Property, and all rights, remedies and powers of the Indenture Trustee shall continue as if no such proceedings had been taken.

SECTION 4.06. In the event of the failure of the Owner Trustee in any respect to comply with the covenants hereof, the Indenture Trustee shall have the right (without prejudice to any rights arising by reason of such default), but not the obligation, to advance or expend moneys for the purpose of performing such covenants on behalf of the Owner Trustee. The Owner Trustee shall be immediately notified of any such advance. All sums so advanced for any of the aforesaid purposes shall be repayable by the Owner Trustee on demand, shall bear interest at the rate of 13.40% per annum until paid, and shall be secured by this Indenture, have the benefit of the lien created hereby and rank on a parity with the Loan Certificates.

SECTION 4.07. In the event that no Lease Default shall have occurred and be continuing, the rights, powers and remedies set forth in Sections 4.02 and 4.03 shall be exercised subject to the Lessee's rights under the Lease.

## ARTICLE V

### DUTIES OF THE OWNER TRUSTEE AND THE INDENTURE TRUSTEE

SECTION 5.01. In the event the Owner Trustee shall have knowledge of an Indenture Default or an event or condition which, after giving of notice or the lapse of time or both, would become an Indenture Default, the Owner Trustee shall give prompt telephonic notice (confirmed in writing) thereof to the Indenture Trustee, and the Indenture Trustee shall give prompt telephonic notice thereof (confirmed in writing) to C.I.T., C.I.T. Financial, each holder of a Loan Certificate and the Owner Participant. In the event an officer or employee in the Corporate Trust Department or Division of the Indenture Trustee shall have knowledge of an Indenture Default (or an event or condition which after notice or lapse of time or both would become an Indenture Default), the Indenture Trustee shall give prompt telephonic notice (confirmed in writing) thereof to C.I.T., C.I.T. Financial, the Owner Trustee and each holder of a Loan Certificate. Subject to the terms of Section 5.03 hereof, the Indenture Trustee shall take such action (or refrain from taking action) with respect to such Indenture Default or such other event or condition as the Indenture Trustee shall be instructed in writing at any time by a Majority in Interest of Holders. If the Indenture Trustee shall not have received instructions as above provided within 20 days after the giving of notice of such Indenture Default or such other event or condition to the holders of the Loan Certificates and C.I.T., the Indenture Trustee may, subject to instructions received at any time from a Majority in Interest of Holders, take such action, or refrain from taking such action, but shall be under no duty to take or refrain from taking any action, with respect to such Indenture Default or such other event or condition as it shall deem advisable in the best interests of the holders of the Loan Certificates and C.I.T.

SECTION 5.02. Subject to the terms of Sections 5.01 and 5.03 hereof, upon the written instructions at any time and from time to time of a Majority in Interest of Holders, the Indenture Trustee will take such of the following actions,

subject to the terms hereof, as may be specified in such instructions: (i) give such notice or direction or exercise such right or power under the Lease as shall be specified in such instructions; (ii) take such action to preserve or protect the Mortgaged Property and the Trust Estate (including the discharge of liens and encumbrances) as shall be specified in such instructions; and (iii) approve as satisfactory to it all matters required by the terms of the Lease to be satisfactory to the Owner Trustee, it being understood that without the written instructions of a Majority in Interest of Holders the Indenture Trustee shall not approve any such matter as satisfactory to it. In the event that no Indenture Default shall have occurred and be continuing, such action shall not result in any waiver, release or compromise in any right or power of the lessor under the Lease without the consent of C.I.T. and the Owner Participant.

SECTION 5.03. The Indenture Trustee shall be under no duty to take any action or refrain from taking any action under Section 5.01 or 5.02 or Article IV hereof unless the Indenture Trustee shall have been indemnified by the holders of the Loan Certificates or C.I.T., in manner and form satisfactory to the Indenture Trustee, against any liability, cost or expense (including counsel fees) which may be incurred in connection with such action or inaction. The Indenture Trustee shall not be required to take any action under Section 5.01 or 5.02 or Article IV hereof, nor shall any other provision of this Indenture be deemed to impose a duty on the Indenture Trustee to take any action, if the Indenture Trustee shall determine, or shall have been advised by counsel, that such action is contrary to the terms of this Trust Indenture, the Lease, the Lease Assignment, the Purchase Order, the Purchase Order Assignment or the Participation Agreement or is otherwise contrary to applicable law.

SECTION 5.04. The Indenture Trustee shall not have any duty or obligation to manage, control, use, sell or otherwise transfer title to or dispose of or otherwise deal with any Unit or any other part of the Trust Estate, or otherwise to take or refrain from taking any action under, or in connection with, this Indenture, the Lease, the Lease Assignment, the Purchase Order or the Purchase Order Assignment, except as expressly provided by the terms of this Indenture, the Lease Assignment, the Purchase Order, the Purchase Order Assignment or the Participation Agreement or as expressly provided in written instructions from a Majority in Interest of Holders received pursuant to the terms of Section 5.01 or 5.02 hereof; and no implied duties or obligations shall be read into this Indenture against the

Indenture Trustee. The Indenture Trustee nevertheless agrees that it will, at its own cost and expense, promptly take such action as may be necessary to duly discharge any liens or encumbrances on any part of the Trust Estate which result from claims the Indenture Trustee not related to the ownership of the Units or the administration of the Trust Estate.

SECTION 5.05. The Indenture Trustee shall not manage, control, use, sell or otherwise transfer title to, or dispose of or otherwise deal with, any Unit or any other part of the Trust Estate, except (i) as required by the terms of the Lease Assignment, or the Lease, (ii) in accordance with the powers expressly granted to, or the authority expressly conferred upon, the Indenture Trustee pursuant to this Indenture or (iii) in accordance with written instructions from a Majority in Interest of Holders pursuant to Section 5.01 or 5.02 hereof.

SECTION 5.06. During the month of August of 1985, 1990 and 1995, the Owner Trustee will deliver or cause to be delivered to the Indenture Trustee a favorable opinion of counsel admitted to practice law in the State of New York, which counsel shall be acceptable to the Indenture Trustee, stating that all filings then required to be made, or which will be required (on the basis of then applicable law) to be made during the period ending on the fifth anniversary of the date of such opinion, in order to protect the validity, effectiveness and priority of the Trust Indenture upon the Trust Estate have been duly made in compliance with all applicable legal requirements, and setting forth the particulars thereof.

## ARTICLE VI

### IMMUNITIES OF THE INDENTURE TRUSTEE AND THE OWNER TRUSTEE

SECTION 6.01. The Indenture Trustee accepts the trusts hereby created and agrees to perform the same but only upon the terms of this Indenture, and agrees to receive and disburse all moneys constituting part of the Trust Estate in accordance with the provisions hereof. The Indenture Trustee shall not be answerable or accountable under any circumstances, except (i) for its own wilfull misconduct or negligence, or (ii) in the case of the inaccuracy of any representation or warranty contained in Section 6.03 hereof.

SECTION 6.02. Except in accordance with written instructions furnished pursuant to Section 5.02 hereof and without limiting the generality of Sections 5.04 and 5.05 hereof, the Indenture Trustee shall have no duty (i) to see to any recording, filing or depositing of the Participation Agreement, the Purchase Order, the Purchase Order Assignment, the Lease Assignment or the Lease or of this Indenture, or to see to the maintenance of any such recording, filing or depositing or to any rerecording, refiling or redepositing of any thereof, (ii) to see to any insurance on the Units or to effect or maintain any such insurance, (iii) to review the financial condition or operations of Lessee, or make any determination with respect to an adverse change therein, (iv) except as otherwise provided in Section 5.04 hereof, to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, or assessed or levied against, any part of the Trust Estate, (v) to confirm, verify or inquire into the failure to receive any financial statements or reports of the Lessee or (vi) to inspect the Units at any time or ascertain or inquire as to the performance or observance of any of the Lessee's covenants under the Lease with respect to the Units. Notwithstanding the foregoing, the Indenture Trustee will furnish to the holders of the Loan Certificates and C.I.T. promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Indenture Trustee hereunder or under the Participation Agreement, the Lease or the Purchase Order Assignment, to the extent the same shall not have been furnished to each such holder of a Loan Certificate and C.I.T.

SECTION 6.03. THE INDENTURE TRUSTEE AND THE OWNER TRUSTEE DO NOT MAKE AND SHALL NOT BE DEEMED TO HAVE MADE (i) ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, MERCHANTABILITY OR FITNESS FOR USE OF ANY OF THE UNITS OR AS TO TITLE THERETO OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE UNITS, except that the Owner Trustee, in its individual capacity, hereby warrants to each holder of a Loan Certificate, C.I.T. and C.I.T. Financial that (a) on the delivery date for each Unit, the Owner Trustee shall have good and marketable title to such Unit to the extent such title was conveyed by the Builder to the Owner Trustee, free of liens and encumbrances resulting from claims against the Owner Trustee not related to the ownership of the Units or the administration of the Estate, and (b) each Unit shall, while a part of the Trust Estate and at the time of any conveyance therefrom, be free of liens and



encumbrances resulting from any acts of the Owner Trustee except liens and encumbrances permitted by the Lease or this Indenture or liens and encumbrances arising from the ownership of the Units the administration of the Estate, or (ii) any representation or warranty as to the validity, legality or enforceability of this Indenture, the Trust Agreement, the Participation Agreement, the Lease Assignment, the Lease, the Purchase Order, the Purchase Order Assignment or any Loan Certificate, or as to the correctness of any statement contained in any thereof except to the extent that any such statement is expressly made by the Indenture Trustee or the Owner Trustee in this Section 6.03, except that the Indenture Trustee and the Owner Trustee each hereby represents and warrants, in their respective individual capacities, to each present and future holder of a Loan Certificate and C.I.T. that this Indenture has been, and, in the case of the Indenture Trustee, the Lease Assignment and the Participation Agreement, and, in the case of the Owner Trustee, the Participation Agreement, the Lease Assignment, the Lease, the Purchase Order Assignment and each Loan Certificate have been (or at the time of execution and delivery of any such instrument that such instrument will be) duly executed and delivered by one or more of its officers who is or will be, as the case may be, duly authorized to execute and deliver such instruments on its behalf.

SECTION 6.04. (a) The Owner Trustee will from time to time execute and deliver all supplements and amendments hereto and to any instrument included in the Trust Estate required by the terms hereof or thereof, and all such financing statements, continuation statements, instruments of further assurances and other instruments, and will take such other action, as the Indenture Trustee may reasonably request to (i) better grant to the Indenture Trustee all or any portion of the Trust Estate, (ii) maintain or preserve the lien of this Indenture or carry out more effectively the provisions hereof, (iii) perfect, publish notice of or protect the validity of this Indenture and any instrument included in the Trust Estate or of any grant made or to be made pursuant to this Indenture, (iv) enforce any instrument included in the Trust Estate, or (v) preserve and defend title to the Trust Estate and the rights therein against the claims of all persons and entities so long as any Loan Certificate remains outstanding.

(b) The Owner Trustee in its individual capacity covenants that (i) it will not take any action to dissolve or terminate the Trust Agreement or the Estate created by the Trust Agreement except as permitted by this Indenture and (ii) it will not take any action to distribute any of the assets comprising the Estate except

as permitted by this Indenture, the Participation Agreement, the Trust Agreement, the Lease and the Lease Assignment. The Owner Trustee, in its individual capacity, further covenants that it will promptly take such action as may be necessary to discharge all liens and encumbrances on the Trust Estate or any portion thereof resulting from acts of the Owner Trustee not related to the ownership of the Units or the administration of the Estate.

(c) The Owner Trustee, in its individual capacity, covenants that it will not sell, lease, transfer, exchange or otherwise dispose of any portion of the Trust Estate except as permitted by the Participation Agreement, the Lease and this Indenture, that it will not obtain or carry insurance relating to the Units separate from that required or permitted by the Lease, and that it will not issue or permit to be issued any Loan Certificates in any manner other than in accordance with the provisions contained in Article II hereof.

SECTION 6.05. Moneys received by the Indenture Trustee hereunder need not be segregated in any manner except to the extent required by law and may be deposited under such general conditions as may be prescribed by law in the general banking department of the Indenture Trustee, and the Indenture Trustee shall not be liable for any interest thereon.

SECTION 6.06. The Indenture Trustee and the Owner Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper believed by it to be genuine and believed by it to be signed by the proper party or parties. The Indenture Trustee and the Owner Trustee may accept a copy of a resolution of the Board of Directors of any corporate party, certified by the Secretary or an Assistant Secretary thereof, as duly adopted and in full force and effect (or in lieu thereof a resolution of the executive committee of such corporate party), as conclusive evidence that such resolution has been duly adopted by said Board and that the same is in full force and effect. As to any fact or matter, the manner of ascertainment of which is not specifically described herein, the Indenture Trustee and the Owner Trustee may for all purposes hereof rely on a certificate, signed by or on behalf of the proper party executing the same, as to such fact or matter, and such certificate shall constitute full protection to the Indenture Trustee and the Owner Trustee for any action taken or omitted to be taken by either of them in good faith in reliance thereon. In the administration of the trusts hereunder, the Indenture Trustee may execute any of

the trusts or power hereof and perform its powers and duties hereunder directly or through agents or attorneys and may, at the expense of the Trust Estate, seek advice of counsel, accountants and other skilled persons to be selected and employed by it, and the Indenture Trustee shall not be liable for anything done, suffered or omitted in good faith by it in accordance with the advice or opinion of any such counsel, accountants or other skilled persons.

SECTION 6.07. The Owner Trustee and the Indenture Trustee act solely as trustees herein and in the case of the Owner Trustee in the Trust Agreement provided and not in their individual capacities; and all persons and entities, other than the holders of the Loan Certificates, C.I.T. and the Owner Participant as provided herein or in the Trust Agreement, having any claim against the Owner Trustee or the Indenture Trustee by reason of the transactions contemplated hereby shall look, subject to the interests created hereby and the priorities of payment provided herein, only to the Trust Estate for payment or satisfaction thereof.

SECTION 6.08. The Indenture Trustee, or any successor thereto, from time to time serving hereunder, shall have the absolute right, acting independently, to take any action and to exercise any right, remedy, power or privilege conferred upon the Indenture Trustee hereunder; and any action taken by the Indenture Trustee from time to time serving hereunder shall be binding upon the Indenture Trustee and no person dealing with the Indenture Trustee from time to time serving hereunder shall be obligated to confirm the power and authority of the Indenture Trustee to act.

SECTION 6.09. The Indenture Trustee and the Owner Trustee agree that they shall have no right against the holders of the Loan Certificates, C.I.T. or C.I.T. Financial or, except as provided in Sections 3.03 and 4.02 hereof, against the Trust Estate for any fee as compensation for their services hereunder.

## ARTICLE VII

### SUCCESSOR INDENTURE TRUSTEES

Section 7.01. (a) The Indenture Trustee or any successor Indenture Trustee may resign at any time without cause by giving at least 30 days' prior written notice to the

Owner Trustee, C.I.T. and each holder of a Loan Certificate, such resignation to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In addition, the Indenture Trustee may be removed at any time without cause by a Majority in Interest of Holders by an instrument in writing delivered to the Owner Trustee, the Indenture Trustee, C.I.T., C.I.T. Financial and each holder of a Loan Certificate not signing such instrument, such removal to be effective on the acceptance of appointment by the successor Indenture Trustee under Section 7.01(b) hereof. In case of the resignation or removal of the Indenture Trustee, a Majority in Interest of Holders may appoint a successor Indenture Trustee by a written instrument signed by a Majority in Interest of Holders delivered to the Owner Trustee. If a successor Indenture Trustee shall not have been appointed within 30 days after the giving of the written notice of such resignation or the delivery of the written instrument with respect to such removal, any holder of a Loan Certificate, C.I.T. or the Indenture Trustee may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor shall have been appointed as above provided. Any successor Indenture Trustee so appointed by such court shall immediately and without further act be superseded by any successor Indenture Trustee appointed as above provided within one year from the date of the appointment by such court.

(b) Any successor Indenture Trustee, whether appointed by a court or by a Majority in Interest of Holders, shall execute and deliver to the Owner Trustee, each holder of a Loan Certificate, C.I.T., C.I.T. Financial and the predecessor Indenture Trustee an instrument accepting such appointment, and thereupon such successor Indenture Trustee, without further act, shall become vested with all the estates, properties, rights, powers, duties and trusts of the predecessor Indenture Trustee in the trusts hereunder with like effect as if originally named as a Trustee herein; but nevertheless upon the written request of such successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such successor Indenture Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of such predecessor Indenture Trustee, and such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such successor Indenture Trustee any property or moneys then held by such predecessor Indenture Trustee upon the trusts herein expressed.

(c) Any successor Indenture Trustee, however appointed, shall be a bank or trust company incorporated and doing business within the United States of America, and having a combined capital and surplus of at least \$100,000,000 if there be such an institution willing, able and legally qualified to perform the duties of Indenture Trustee hereunder upon reasonable or customary terms.

(d) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation to which substantially all the corporate trust business of the Indenture Trustee may be transferred, shall, subject to the terms of Section 7.01(c) hereof, be the Indenture Trustee under this Indenture without further act.

SECTION 7.02. (a) Whenever the Indenture Trustee shall deem it necessary or prudent in order either to conform to any law of any jurisdiction in which all or any part of the Trust Estate shall be situated or to make any claim or bring any suit with respect to the Trust Estate, this Indenture, the Participation Agreement, the Purchase Order, the Purchase Order Assignment, the Lease or the Lease Assignment, or the Indenture Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the holders of Loan Certificates or C.I.T., or in the event that the Indenture Trustee shall have been requested to do so by a Majority in Interest of Holders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to constitute another bank or trust company, or one or more persons approved by the Indenture Trustee, either to act as additional trustee or trustees of all or any part of the Trust Estate, jointly with the Indenture Trustee, or to act as separate trustee or trustees of all or any part of the Trust Estate, in any such case with such powers as may be provided in such agreement supplemental hereto, and to vest in such bank, trust company or person as such additional trustee or separate trustee, as the case may be, any property, title, right or power of the Indenture Trustee deemed necessary or advisable by the Indenture Trustee, subject to the remaining provisions of such agreement supplemental hereto, within 10 days after the receipt of a written request from the Indenture Trustee so to do, or in case an Indenture Default (or any event or condition which after notice or lapse of time or both would become an Indenture Default) shall occur and be continuing, the Indenture Trustee

may act under the foregoing provisions of this Section 7.02(a) without the concurrence of the Owner Trustee; and the Owner Trustee hereby appoints the Indenture Trustee its agent and attorney to act for it under the foregoing provisions of this Section 7.02(a) in either of such contingencies. The Indenture Trustee may execute, deliver and perform any deed, conveyance, assignment or other instrument in writing as may be required by any additional trustee or separate trustee for more fully and certainly vesting in and confirming to it or him any property, title, right or power which, by the terms of such agreement supplemental hereto, are expressed to be conveyed or conferred to or upon such additional trustee or separate trustee, and the Owner Trustee shall, upon the Indenture Trustee's request, join therein and execute, acknowledge and deliver the same; and the Owner Trustee hereby makes, constitutes and appoints the Indenture Trustee its agent and attorney-in-fact for it and in its name, place and stead to execute, acknowledge and deliver any such deed, conveyance, assignment or other instrument in the event that the Owner Trustee shall not itself execute and deliver the same within 10 days after receipt by it of such request so to do.

(b) Every additional trustee and separate trustee hereunder shall, to the extent permitted by law, be appointed and act and the Indenture Trustee shall act, subject to the following provisions and conditions:

(i) all powers, duties, obligations and rights conferred upon the Indenture Trustee in respect of the receipt, custody, investment and payment of moneys shall be exercised solely by the Indenture Trustee;

(ii) all other rights, powers, duties and obligations conferred or imposed upon and exercised or performed by the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such additional trustee or trustees and separate trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust Estate in any such jurisdiction) shall be exercised and performed by such additional trustee or trustees or separate trustee or trustees;

(iii) no power hereby given to, or with respect to which it is hereby provided may be exercised by, any such additional trustee or separate trustee shall be exercised hereunder by such additional trustee or separate trustee except jointly with, or with the consent of, the Indenture Trustee; and

(iv) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder.

If at any time the Indenture Trustee shall deem it no longer necessary or prudent in order to conform to any such law or take any such action or shall be advised by such counsel that it is no longer so necessary or prudent in the interest of the holders of Loan Certificates or C.I.T., or in the event that the Indenture Trustee shall have been requested to do so in writing by a Majority in Interest of Holders, the Indenture Trustee and the Owner Trustee shall execute and deliver an agreement supplemental hereto and all other instruments and agreements necessary or proper to remove any additional trustee or separate trustee. In the event that the Owner Trustee shall not have joined in the execution of such agreement supplemental hereto, instruments and agreements, the Indenture Trustee may act on behalf of the Owner Trustee to the same extent provided above.

(c) Any additional trustee or separate trustee may at any time by an instrument in writing constitute the Indenture Trustee its agent or attorney-in-fact, with full power and authority, to the extent which may be authorized by law, to do all acts and things and exercise all discretions which it is authorized or permitted to do or exercise, for and in its behalf and in its name. In case any such additional trustee or separate trustee shall die, become incapable of acting, resign or be removed, all the assets, property, rights, powers, trusts, duties and obligations of such additional trustee or separate trustee, as the case may be, so far as permitted by law, shall vest in and be exercised by the Indenture Trustee, without the appointment of a new successor to such additional trustee or separate trustee unless and until a successor is appointed in the manner hereinbefore provided.

(d) Any request, approval or consent in writing by the Indenture Trustee to any additional trustee or separate trustee shall be sufficient warrant to such additional trustee or separate trustee, as the case may be, to take such action as may be so requested, approved or consented to.

(e) Each additional trustee and separate trustee appointed pursuant to this Section shall be subject to, and shall have the benefit of, the first two sentences of Section 7.01(a) hereof and Articles IV, V, VI and VIII hereof in so far as they apply to the Indenture Trustee.

## ARTICLE VIII

### SUPPLEMENTS AND AMENDMENTS TO THIS INDENTURE AND OTHER DOCUMENTS

SECTION 8.01. At any time and from time to time, upon the written request of a Majority in Interest of Holders, (a) the Owner Trustee and the Indenture Trustee shall execute a supplement hereto for the purpose of adding provisions to, or changing or eliminating provisions of, this Trust Indenture as specified in such request and (b) the Owner Trustee shall enter into such written amendment of or supplement to the Lease as the Lessee may agree to and as may be specified in such request, or execute and deliver such written waiver or modification of the terms of the Lease as may be specified in such request; provided, however, that, without the consent of the Owner Participant, C.I.T. and each holder of a Loan Certificate (until all the unpaid principal amount of and accrued interest on the Loan Certificates shall have been paid in full), no such supplement to this Indenture or amendment of or supplement to the Lease or waiver or modification of the terms of any thereof, shall (i) modify any of the provisions of this Section or of Sections 5.01, 5.02, 5.03 or 8.05 hereof or change the definition of Majority in Interest of Holders contained in Section 1.01 hereof, (ii) reduce the amount or extend the time of payment of any amount owing hereunder with respect to principal or interest to the holders of the Loan Certificates or as Commitment Fees to C.I.T. or reduce the rate of interest payable on the Loan Certificates or alter or modify the provisions of Article III hereof with respect to the order of priorities in which distributions thereunder shall be made as between the holders of the Loan Certificates, C.I.T. and the Owner Participant, (iii) reduce, modify or amend any indemnities in favor of any holder of a Loan Certificate, C.I.T., C.I.T. Financial or the Indenture Trustee, or (iv) modify, amend or supplement the Lease or consent to any assignment of the Lease, in either case releasing the Lessee from its obligations in respect of the payment of rent or Casualty Value under the Lease, reducing the amount of any such payment, extending the time for



any such payment or changing the absolute and unconditional character of such obligations as set forth in Section 1 of the Lease; and provided further, that, without the consent of each holder of a Loan Certificate and C.I.T., no such supplement to this Trust Indenture or waiver or modification of the terms hereof shall deprive any present or future holder of a Loan Certificate or C.I.T. of the benefit of the lien of this Indenture on the Trust Estate.

SECTION 8.02. If in the opinion of the Indenture Trustee or the Owner Trustee any document required to be executed pursuant to the terms of Section 8.01 hereof affects any rights, duties, immunities or indemnities in favor of the Indenture Trustee or the Owner Trustee under this Indenture, the Purchase Order Assignment, the Lease Assignment, or the Lease, the Indenture Trustee or the Owner Trustee may in its discretion decline to execute such document.

SECTION 8.03. It shall not be necessary for any written request furnished pursuant to Section 8.01 hereof to specify the particular form of the proposed documents to be executed pursuant to said Section, but it shall be sufficient if such request shall indicate the substance thereof.

SECTION 8.04. Promptly after the execution by the Owner Trustee and the Indenture Trustee of any document entered into pursuant to Section 8.01 hereof, the Owner Trustee shall mail, by first class mail, postage prepaid, a conformed copy thereof to each holder of a Loan Certificate and C.I.T. at its address last known to the Owner Trustee, but failure of the Owner Trustee to mail such conformed copies shall not impair or affect the validity of such document.

SECTION 8.05. The Owner Trustee shall not amend or supplement the Trust Agreement except to the extent permitted by, and in accordance with, the terms thereof, and unless a signed copy of such amendment or supplement has been delivered to the Indenture Trustee; provided, however, that Section 11.11 of the Trust Agreement, as originally executed, shall not be changed prior to the termination of this Trust Indenture pursuant to Section 9.01 hereof; and provided, further, that the Owner Trustee shall not amend, waive or modify, without the consent of each holder of a Loan Certificate and C.I.T., any of the provisions of Article VIII or Article X of the Trust Agreement.

## ARTICLE IX

### MISCELLANEOUS

SECTION 9.01. This Indenture and the trusts created hereby shall terminate and this Indenture shall be of no further force or effect upon the earlier of (i) the sale, transfer or other final disposition by the Indenture Trustee of all property at any time part of the Trust Estate and the final distribution by the Indenture Trustee of all moneys or other property or proceeds constituting part of the Trust Estate in accordance with the terms of Article III hereof, provided, that at such time the Lessee shall have fully complied with all the terms of the Lease, the Lease Assignment and the Participation Agreement, and (ii) twenty-one years less one day after the death of the survivor of the issue, living on the date of the earliest acknowledgment of the execution of this Indenture, of the present members of the Boards of Directors of the Owner Trustee or the Indenture Trustee, otherwise this Indenture and the trusts created hereby shall continue in full force and effect in accordance with the terms hereof. Upon payment in full of all amounts due to the holders of the Loan Certificates and C.I.T. hereunder and all amounts secured by the Trust Estate, the Indenture Trustee shall pay all moneys or other properties or proceeds constituting part of the Trust Estate to the Owner Trustee, and this Indenture and the trusts created hereby shall terminate and shall be of no further force or effect.

SECTION 9.02. Neither any holder of a Loan Certificate nor C.I.T. shall have legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the interests of the holders of Loan Certificates or C.I.T. or other right, title and interest of any holder of a Loan Certificate or C.I.T. in and to the Trust Estate or hereunder shall operate to terminate this Indenture or the trusts hereunder or entitle any successor or transferee to an accounting or to the transfer to it of legal title to any part of the Trust Estate.

SECTION 9.03. Any assignment, sale, transfer or other conveyance by the Indenture Trustee of the interest of the Indenture Trustee in the Lease, the Lease Assignment, the Purchase Order, the Purchase Order Assignment or any Unit made pursuant to the terms of this Indenture or the Lease shall bind the holders of the Loan Certificates and C.I.T. and shall be effective to transfer or convey all right, title and interest

of the Indenture Trustee, the Owner Trustee, the Owner Participant, C.I.T. and such holders of the Loan Certificates in and to such agreements or such Units. No purchaser or other grantee shall be required to inquire as to the authorization, necessity, expediency or regularity of such sale or conveyance or as to the application of any sale or other proceeds with respect thereto by the Indenture Trustee.

SECTION 9.04. Nothing in this Indenture, whether express or implied, shall be construed to give to any person other than the Indenture Trustee, the Owner Trustee, the Owner Participant, C.I.T. and the holders of the Loan Certificates any legal or equitable right, remedy or claim under or in respect of this Trust Indenture or the Trust Estate; but this Indenture and the Trust Estate shall be held for the sole and exclusive benefit of the Indenture Trustee, the Owner Trustee, the Owner Participant, C.I.T. and the holders of the Loan Certificates.

SECTION 9.05. Unless otherwise expressly specified or permitted by the terms hereof, all notices shall be in writing, mailed by regular mail, postage prepaid, (i) if to the Indenture Trustee, addressed to it at the Trust Office, (ii) if to the Owner Trustee, addressed to it at 120 South Sixth Street, Minneapolis, Minnesota 55402, Attention: Corporate Trust Division, (iii) if to the Owner Participant, C.I.T., C.I.T. Financial or the Lender, addressed to it at such address as it shall have furnished by notice to the Indenture Trustee and the Owner Trustee, or, until an address is so furnished, addressed to it at its address set forth in paragraph 15 of the Participation Agreement, and (iv) if to any holder of a Loan Certificate other than the Lender, to such address as may be furnished to the Indenture Trustee and the Owner Trustee in writing for such purpose. Whenever any notice in writing is required to be given by the Indenture Trustee, the Owner Trustee, the Owner Participant or any holder of a Loan Certificate to any of the other of them, such notice shall be deemed given and such requirement satisfied if such notice is mailed by regular mail, postage prepaid, addressed as provided above.

SECTION 9.06. Any provision of this Indenture which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining

provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. In the event of any inconsistency or conflict between any provision of this Indenture and any provision of the Trust Agreement, such provision in this Indenture shall govern and control.

SECTION 9.07. Subject to Section 8.01 hereof, no term or provision of this Indenture may be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party or other person against whom enforcement of the change, waiver, discharge or termination is sought; and any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

SECTION 9.08. This Indenture may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.


SECTION 9.09. All covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto, the holders of the Loan Certificates and C.I.T. and their respective successors and assigns. Any request, notice, direction, consent, waiver or other instrument or action by any holder of a Loan Certificate or C.I.T. shall bind the respective successors and assigns thereof.

SECTION 9.10. The table of contents hereof and the headings of the various articles herein are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions hereof.

SECTION 9.11. This Indenture shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority, have caused this Indenture to be executed in their respective corporate names by duly authorized officers, and their respective corporate seals to be hereunder affixed and duly attested, all as of the day and year first above written.

FIRST NATIONAL BANK OF MINNEAPOLIS,  
as Owner Trustee,


By   
VICE PRESIDENT

[Corporate Seal]

Attest:

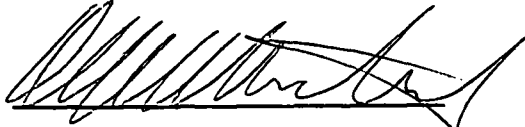
  
Trust Officer & Assistant Vice President

THE CONNECTICUT BANK AND TRUST COMPANY  
as Indenture Trustee,

By   
F. W. Kawam, Vice President

[Corporate Seal]

Attest:

  
CLARK M. WHITCOMB  
ASSISTANT VICE PRESIDENT

STATE OF *Minnesota* )  
 : ss.:  
COUNTY OF *Hennepin* )

On this *15* day of *August*, 1980, before me personally appeared *J. SCANLAN*, to me personally known, who, being by me duly sworn, says that he is VICE PRESIDENT of FIRST NATIONAL BANK OF MINNEAPOLIS, a national banking association, that one of the seals affixed to the foregoing instrument is the corporate seal of said national banking association, that said instrument was signed and sealed on behalf of said national banking association by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.

*Kenneth P. Swanson*  
\_\_\_\_\_  
Notary Public

[Notarial Seal]

My Commission expires



STATE OF *New York*,  
COUNTY OF *New York* : ss.:

On this *14* day of *August*, 1980, before me personally appeared *F.W. Rawam*, to me personally known, who, being by me duly sworn, says that he is *Vice President* of THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Ellen E. McCarron*  
\_\_\_\_\_  
Notary Public

[Notarial Seal]

My Commission expires

ELLEN E. MCCARRON  
Notary Public, State of New York  
No. 43-4651078  
Qualified in Richmond County  
Certificate filed in New York County  
Commission Expires March 30, 1981

SCHEDULE A

Description of Units

<u>Manufacturer</u>	<u>Type</u>	<u>Quantity</u>	<u>Identifying Nos. (inclusive)</u>
Pullman Incorporated (Pullman Standard Division)	70-ton 89'4" general purpose flat cars	200	WP 8801 through WP 9000

## SCHEDULE B

Instalment Payments to be made on Loan Certificates (expressed as a percentage of aggregate original principal amount)

<u>Date</u>	<u>Percentage of Original Principal Amount of Loan Certificates</u>
July 2, 1981	8.360490%
January 2, 1982	8.383435
July 2, 1982	8.408045
January 2, 1983	8.434443
July 2, 1983	8.462758
January 2, 1984	8.493129
July 2, 1984	8.525705
January 2, 1985	8.560647
July 2, 1985	8.598127
January 2, 1986	8.638330
July 2, 1986	8.681450
January 2, 1987	8.727702
July 2, 1987	8.777314
January 2, 1988	8.830528
July 2, 1988	8.887607
January 2, 1989	8.948831
July 2, 1989	9.014501
January 2, 1990	6.231691
July 2, 1990	6.276943
January 2, 1991	3.277155
July 2, 1991	3.296845
January 2, 1992	3.203942
July 2, 1992	3.225385
January 2, 1993	3.124213
July 2, 1993	3.147565
January 2, 1994	3.037388
July 2, 1994	3.062818
January 2, 1995	2.942832
July 2, 1995	2.970504



SCHEDULE C

FIRST NATIONAL BANK OF MINNEAPOLIS,  
AS OWNER TRUSTEE UNDER THE TRUST AGREEMENT  
DATED AS OF AUGUST 1, 1980

12.40% EQUIPMENT TRUST LOAN CERTIFICATE DUE 1995

No.

\$

FIRST NATIONAL BANK OF MINNEAPOLIS, a national banking association (herein, together with its permitted successors and assigns as owner trustee in the trusts under the Trust Agreement hereinafter referred to, called the "Owner Trustee"), as owner trustee under a Trust Agreement dated as of August 1, 1980 (herein, as amended or supplemented from time to time in accordance with its terms, called the "Trust Agreement"), between Valley Bank Leasing, Inc., an Arizona corporation (herein, together with its permitted successors and assigns, called the "Owner Participant"), and the Owner Trustee, hereby in its capacity as owner trustee under the Trust Agreement promises to pay to \_\_\_\_\_ or registered assigns, on or before July 2, 1995, as hereinafter provided, the principal sum of \_\_\_\_\_ DOLLARS, and to pay interest on the unpaid principal amount hereof from the date hereof to maturity at the rate of 12.40% per annum, and to pay interest

on any overdue principal and interest at the rate of 13.40% per annum (or in each case at the highest rate, if any, permitted by applicable law, whichever is less), in each case computed on the basis of a 360-day year consisting of twelve 30-day months. Such principal and interest shall be payable against presentation of this Loan Certificate (hereinafter called this "Loan Certificate") (except as otherwise provided in Section 2.06 of the Indenture hereinafter referred to) at the Trust Office, in lawful money of the United States, in the following manner:

(A) interest accruing hereon from the date hereof to January 2, 1981 shall be due and payable on January 2, 1981; and

(B) semi-annual instalment payments, containing both principal and interest, shall be due and payable on July 2, 1981 and on each January 2 and July 2 thereafter to and including July 2, 1995, the respective amounts of such instalment payments being equal to the percentage of the original principal sum of this Loan Certificate set forth below opposite such January 2 or July 2:

<u>Date</u>	<u>Instalment Payment (expressed as a percentage of original principal sum</u>
July 2, 1981	8.360490%
January 2, 1982	8.383435
July 2, 1982	8.408045
January 2, 1983	8.434443
July 2, 1983	8.462758
January 2, 1984	8.493129
July 2, 1984	8.525705
January 2, 1985	8.560647
July 2, 1985	8.598127
January 2, 1986	8.638330
July 2, 1986	8.681450
January 2, 1987	8.727702
July 2, 1987	8.777314
January 2, 1988	8.830528
July 2, 1988	8.887607
January 2, 1989	8.948831
July 2, 1989	9.014501
January 2, 1990	6.231691
July 2, 1990	6.276943
January 2, 1991	3.277155
July 2, 1991	3.296845
January 2, 1992	3.203942
July 2, 1992	3.225385
January 2, 1993	3.124213
July 2, 1993	3.147565
January 2, 1994	3.037388
July 2, 1994	3.062818
January 2, 1995	2.942832
July 2, 1995	2.970504

provided, that upon any partial prepayment of the principal of this Loan Certificate pursuant to Section 3.02 of the Indenture, the amount of the instalment payments thereafter to be made hereon shall be reduced as provided in the Indenture.

Each instalment payment, when paid, shall be applied first to

the payment of all interest accrued and unpaid on this Loan Certificate and then to payment on account of the principal hereof then payable.

This Loan Certificate is a 12.40% Loan Certificate due July 2, 1995, and constitutes one of the "Loan Certificates" which are to be issued and secured as provided in a Trust Indenture dated as of August 1, 1980 (herein, as amended or supplemented from time to time in accordance with its terms, called the "Indenture"), from the Owner Trustee to The Connecticut Bank and Trust Company, a Connecticut corporation (herein, together with its permitted successors and assigns as Indenture Trustee in the trusts under the Indenture, called the "Indenture Trustee"), as indenture trustee. Reference is hereby made to the Indenture for a description of the property subject or intended to be subject to the lien thereof, the provisions upon which the Loan Certificates are to be issued and secured thereunder, the nature and extent of the security for the Loan Certificates and the rights and obligations of the holders thereof, C.I.T. Corporation ("C.I.T."), the Owner Trustee, the Indenture Trustee and others in respect of such security and otherwise. The terms used in this Loan Certificate and not hereinabove defined have the meanings indicated in the Indenture. As provided in the Indenture, the Loan Certificates are limited in aggregate principal amount to \$7,998,347, and are issuable thereunder in denominations of \$10,000 or more.

As provided in the Participation Agreement and the Indenture, neither the Owner Trustee nor the Indenture Trustee is, except as provided therein and in other instruments referred to therein, personally liable to the holder hereof for amounts payable hereunder. The liability of the Owner Trustee hereunder is further subject to the limitations contained in paragraph 21 of the Participation Agreement, except as provided therein and in other instruments referred to therein.

This Loan Certificate is subject to prepayment in the manner, to the extent, under the circumstances and at the price provided for in Section 3.02 of the Indenture.

Upon the occurrence of an Indenture Default under Section 4.01 of the Indenture, the principal hereof and the interest accrued and unpaid hereon may be declared to be due and payable forthwith as provided in the Indenture.

Should the indebtedness represented by this Loan Certificate or any part thereof be collected in any proceeding, or this Loan Certificate be placed in the hands of attorneys for collection after default, there shall be payable hereon, in addition to the principal and interest due and payable hereon, all costs of collecting this Loan Certificate, including reasonable attorneys' fees and expenses.

This Loan Certificate may be transferred only in accordance with Section 2.03 of the Indenture. Prior to due presentment of this Loan Certificate for registration of transfer the Owner Trustee, C.I.T. and the Indenture Trustee may deem and treat the person in whose name this Loan Certificate is registered as the absolute holder and owner hereof (whether or not this Loan Certificate shall be overdue) for the purpose of receiving payment and for all other purposes, and neither the Owner Trustee nor the Indenture Trustee shall be affected by any notice to the contrary. In accordance with the provisions of the Indenture, the transfer of this Loan Certificate must be registered at the Trust Office, and this Loan Certificate may be exchanged for other Loan Certificates of authorized denominations and of the same tenor.

As provided in the Purchase Agreement, under specified circumstances and except as therein provided, C.I.T. is unconditionally obligated to purchase this Loan Certificate, if then held by an Eligible Holder, upon payment to said Eligible Holder of the unpaid principal amount hereof, together with accrued but unpaid interest thereon to the date of purchase. Each holder hereof, by its acceptance of this Loan Certificate, agrees to be bound by said provisions of the Purchase Agreement.

As provided in the Indenture, the Owner Trustee and

the Owner Participant have the right to purchase this Loan Certificate under the circumstances contained in Section 4.01(e) of the Indenture.

This Loan Certificate shall not be valid or become obligatory for any purpose unless and until the Certificate of Authentication hereon shall have been executed by the Indenture Trustee.

IN WITNESS WHEREOF, the Owner Trustee has caused this Loan Certificate to be duly executed by two of its officers thereunto duly authorized and its corporate seal to be affixed hereto.

Dated: , 1980

FIRST NATIONAL BANK OF MINNEAPOLIS,  
as Owner Trustee

[CORPORATE SEAL]

By \_\_\_\_\_

By \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This Loan Certificate is one of the Loan Certificates described in the within-mentioned Indenture.

THE CONNECTICUT BANK AND TRUST COMPANY,  
as Indenture Trustee

By \_\_\_\_\_  
Authorized Officer



Date	Aggregate Amount of Payments of Principal Previously Made	Amounts of instalment Payments Thereafter Payable, if reduced	Date to Which Interest Has Been Paid	Unpaid Balance of Principal	Authorized Signature
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[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sell(s),  
assign(s) and transfer(s) without recourse unto \_\_\_\_\_  
\_\_\_\_\_ the within 12.40% Equipment  
Trust Loan Certificate of First National Bank of Minneapolis,  
as Owner Trustee, and does hereby irrevocably constitute and  
appoint \_\_\_\_\_  
attorney to transfer said Loan Certificate on the register of  
the Owner Trustee with full power of substitution in the prem-  
ises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Name of Registered Holder)

By \_\_\_\_\_  
(Authorized Signature)

Signature(s) guaranteed by:

\_\_\_\_\_  
(Authorized Signature)